

SENATE BILL 2491
By McLeary

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 4, relative to mortgage and realty transfer
taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-4-409(a)(3), is amended by deleting the word "or" at the end of subdivision (E); by deleting the period at the end of subdivision (F) and substituting instead a semi-colon and the word "or"; and by adding the following language as a new subdivision to be designated as follows:

(G) Transfers of residential real estate from a charitable organization to an individual or individuals at no cost or at a significantly reduced cost in furtherance of that charitable organization's mission. For the purpose of this subdivision, "charitable organization" means a group which is a bona fide benevolent, educational, voluntary health, philanthropic, humane, patriotic, religious or eleemosynary organization, or any chapter, branch, area, office or similar affiliate within the state for a charitable organization which has its principal place of business outside the state.

SECTION 2. Tennessee Code Annotated, Section 67-4-409(b)(1), is amended by inserting the following language at the end of that subdivision:

In addition, the tax shall not be required for the recordation of an instrument evidencing indebtedness held by a charitable organization for the benefit of an individual or individuals purchasing residential real estate at a significantly reduced cost in furtherance of that charitable organization's mission. For the purpose of this subdivision, "charitable organization" means a group which is a bona fide benevolent, educational, voluntary health, philanthropic, humane, patriotic, religious or eleemosynary

organization, or any chapter, branch, area, office or similar affiliate within the state for a charitable organization which has its principal place of business outside the state.

SECTION 3. This act shall take effect July 1, 2006, the public welfare requiring it.